

of France. The huge Sithe plant pays less than \$1 million in local property taxes. Incredible as it sounds, we are giving tax breaks to foreign investors so they can overcharge American consumers and hurt our industrial competitiveness.

A utility's long-term marginal cost to build and operate a gas-fired power plant is currently 2.5 cents per kilowatt hour, yet the PURPA contract price for most New York state projects is 6 cents per kilowatt hour, with contract lifetimes as long as 25 years. The flat 6-cent rate was canceled in 1992, but all existing and planned projects were "grandfathered" at this absurdly high price.

After 17 years of abuse, Congress has taken a few timid steps to close the door on new PURPA projects, but lawmakers and regulators have been extremely reluctant to revisit existing PURPA rates, on the dubious legal theory that a forced sale constitutes a "contract" between a utility and a PURPA developer. By this logic, so does a mugging. The only difference is scale. American consumers will pay \$37 billion more than the current market price for PURPA electricity over the next five years.

What can Congress do at this point? A solution needs to focus on the most abusive provisions of PURPA, those that permit large-scale, fossil-fueled PURPA projects, as long as a little bit of industrial steam is produced on the side. Small, renewable energy projects represent only 20 percent of PURPA capacity.

A solution also needs to focus on consumers—commercial, residential and industrial—not on the investors and financiers who backed PURPA projects, or on the "sanctity of contracts." Investors were well aware of the risks inherent in an artificial market created by government regulation.

One solution would be to make these projects compete in the wholesale electricity market, as new independent power plants already do. Since the National Energy Policy Act of 1992, the wholesale electricity market has been open to all comers. One-quarter to one-third of the electricity generated in the United States today moves on the competitive wholesale market. Electricity has a market price. This free-market solution would protect non-abusive PURPA projects while offering a fair price to the financially abusive.

Republican Sen. Don Nickles of Oklahoma has opened the debate with a bill in the Energy and Natural Resources Committee that would end new projects but preserve existing rates. This is too timid. Unless these financial boondoggles are ended, several utilities will be in Chapter 11 before this Congress ends.

If the House leadership is serious about getting costly and ineffective regulations off the books, PURPA offers an opportunity to bring together business, labor, and consumers in a \$37 billion reform.

#### NATIONAL HOME HEALTH CARE MONTH

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 14, 1995*

Mr. COSTELLO. Mr. Speaker, I rise today to recognize National Home Health Care Month. Illinois has the distinct honor of being recognized as establishing the Nation's first Home Care Association. The Illinois Home Care Council was founded in 1960.

Home care saves money and allows many elderly Americans the chance to spend their

golden years at home with their families. Since its introduction, home care has received broad support across party lines.

Home care has rapidly grown since its start in the early 1960's. Council members sustain its growth through frequent meetings with governmental agencies and other health care associations. By keeping abreast of current issues home care has helped shape different aspects of health care legislation.

Thousands of nurses, therapists, physicians, and home care aides have devoted their lives to providing in-home health care to the sick and disabled. Please join me as I acknowledge all of them for their continued support of home care patients.

#### HONORING THE LIFE AND LEGACY OF YITZHAK RABIN

SPEECH OF

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 8, 1995*

Mr. FOGLIETTA. Mr. Speaker, Yitzhak Rabin was a noble warrior in his nation's struggle for independence, a cold realist to the dangers posed by her Arab neighbors during times of war, and ultimately a bold statesman in his country's crusade for peace. Today, we mourn the tragic passing of this truly remarkable soldier, statesman, and now peacemaker.

Yitzhak Rabin did not reach the pathway to peace easily. As a young man, he knew all too well the blood, tears and sweat in the fight for an independent Jewish homeland. As a soldier, he was the architect of many of Israel's greatest victories against her Arab neighbors bent on her demise.

Matching his courage on the field of battle, Yitzhak Rabin once again led the Jewish people in the quest for a new tomorrow. Putting down the sword and greeting his former enemies with a handshake, he demonstrated to the world that peace is possible.

His is a noble legacy.

But, to truly pay homage to this legacy, we must continue on the road to peace to which Yitzhak Rabin gave his life. The forces of darkness can only be vanquished and peace brought to this troubled land if we continue the dialogue which has brought former enemies together. However, this road will be difficult and filled with uncertainty, and it is for this reason that now more than ever the United States must stand shoulder to shoulder with the people of Israel as we continue this journey.

#### MOTION TO DISPOSE OF SENATE AMENDMENTS TO H.R. 2586, TEMPORARY INCREASE IN THE STATUTORY DEBT LIMIT

SPEECH OF

HON. BRIAN P. BILBRAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, November 10, 1995*

Mr. BILBRAY. Mr. Speaker, when I was sent to Congress, my top priority was balancing the Federal budget. The people of the 49th district told me over and over again that

Washington's practice of leaving our children debt, instead of a brighter future, was unacceptable.

The new majority in Congress heard this resounding mandate from the public, and we acted. We submitted the first balanced budget since 1969. President Clinton did not submit a balanced budget.

Now we are faced with a stalemate between Congress and the President. I know that there is considerable public anger over what some may see as gridlock. However, I believe that this debate is about principles versus agendas.

In our 7 year Balanced Budget Reconciliation Act, our tax cuts for working families were offset by reducing the growth of non-entitlement spending, while continuing on the glidepath to a balanced budget. We also eliminated the subsidy to the wealthiest senior citizens participating in Medicare part B—single seniors with incomes over \$75,000 and couples with incomes over \$125,000 will begin to pay higher premiums.

President Clinton refuses to embrace our commitment to the principle that we will no longer tolerate mortgaging our children's future; we promised to balance the budget and we kept that promise. President Clinton's agenda is diverting attention from the indisputable fact that he does not support a balanced budget.

The Republican proposal for Medicare part B is included our measure to keep the Government running through December 1. President Clinton's states that his specific objection, and the reason for his veto of this measure, was over Medicare part B.

Medicare part B is the voluntary program which covers doctor's visits and outpatient care. Because the program is voluntary beneficiaries have not paid into a trust fund, as they have for Medicare part A, the hospital portion. Under current law, beneficiaries pay 31.5 percent of the premium for part B. Taxpayers subsidize the rest of the premium.

What we are proposing is to maintain the percentage at its current level—31.5 percent. Because the costs of the program will rise next year, as they have every year, the dollar amount will rise from \$46.10 to approximately \$53 in 1996—an approximately \$8 per month increase.

However, President Clinton is actually advocating dropping the percentage that premiums are calculated at to 25 percent and then raising them substantially again after the 1996 elections. The President is playing election year politics with the Medicare part B issue. He would cut revenues—by dropping the percentage to 25 percent—and then would have to raise the percentage again in order to make up for this shortfall. This is highly irresponsible.

Not only does President Clinton oppose a balanced budget, but this position on Medicare part B means that he believes taxpayers should subsidize a higher share—75 percent—of the costs of this voluntary program. It is exactly this logic which has resulted in the inevitable insolvency of the Medicare program if nothing is done to save it.

We have remained steadfast to the principle of our balanced budget; President Clinton has resorted to a diversionary political agenda rather than negotiating in good faith with Republicans. Nothing less than the future we leave to our children is at stake.